



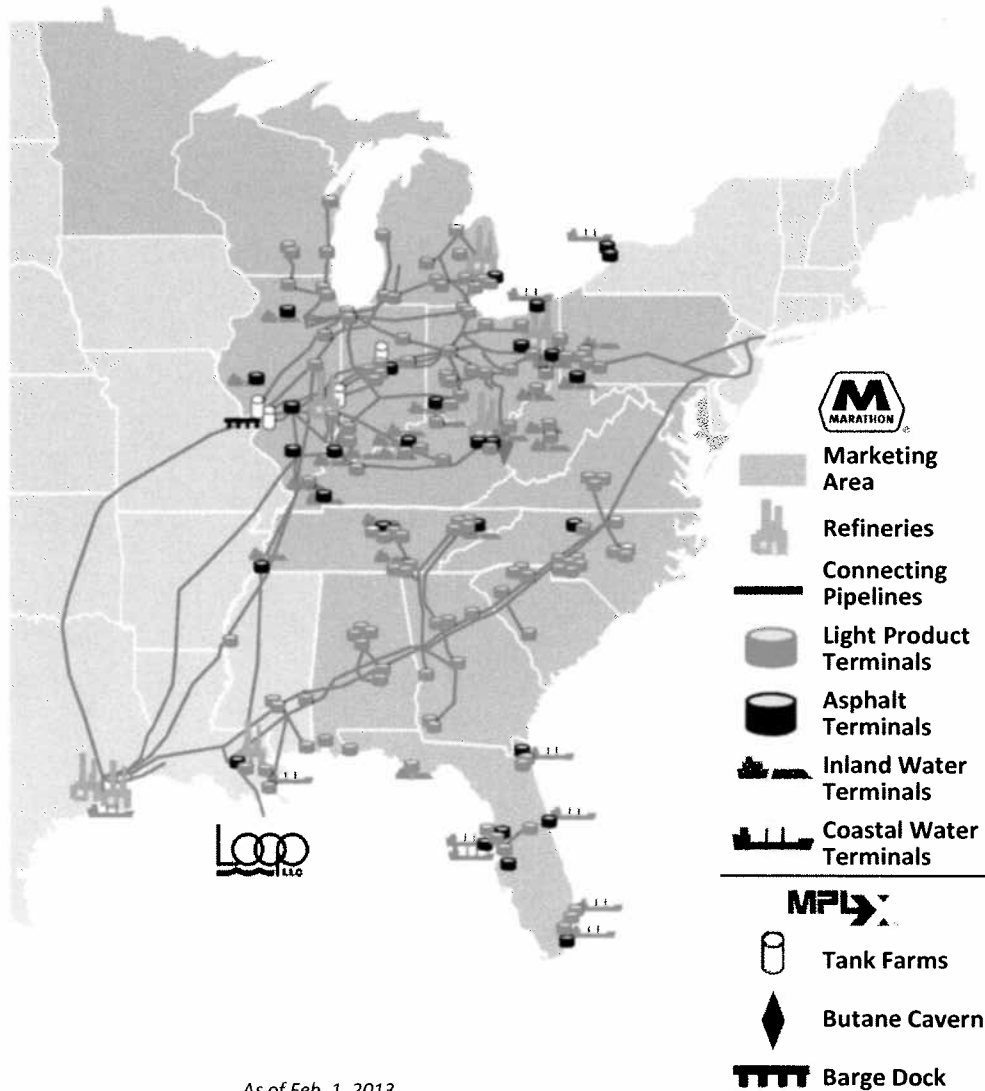
**Marathon
Petroleum Company LP**

House Energy & Technology Committee Meetings

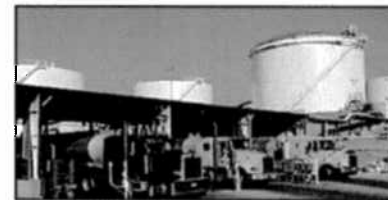
May 7, 2013



Marathon Petroleum Assets



Refineries



Terminals



Pipelines



Coastal Water Terminals



Inland Water Terminals



Speedway



Brand Marketing



Marathon Petroleum Investing in Michigan Detroit Heavy Oil Upgrade Project

- Increased heavy oil capacity from 20,000 BPCD to 100,000 BPCD (barrels per calendar day)
 - 28,000 BPCD delayed Coker
 - 36,000 BPCD Distillate Hydrotreater (DHT)
 - Crude capacity increased ~14,000 BPCD
- Investment: \$2.2 billion* project
- Project complete – November 2012

**Excludes capitalized interest*



Current Situation of Electricity Rates in Michigan

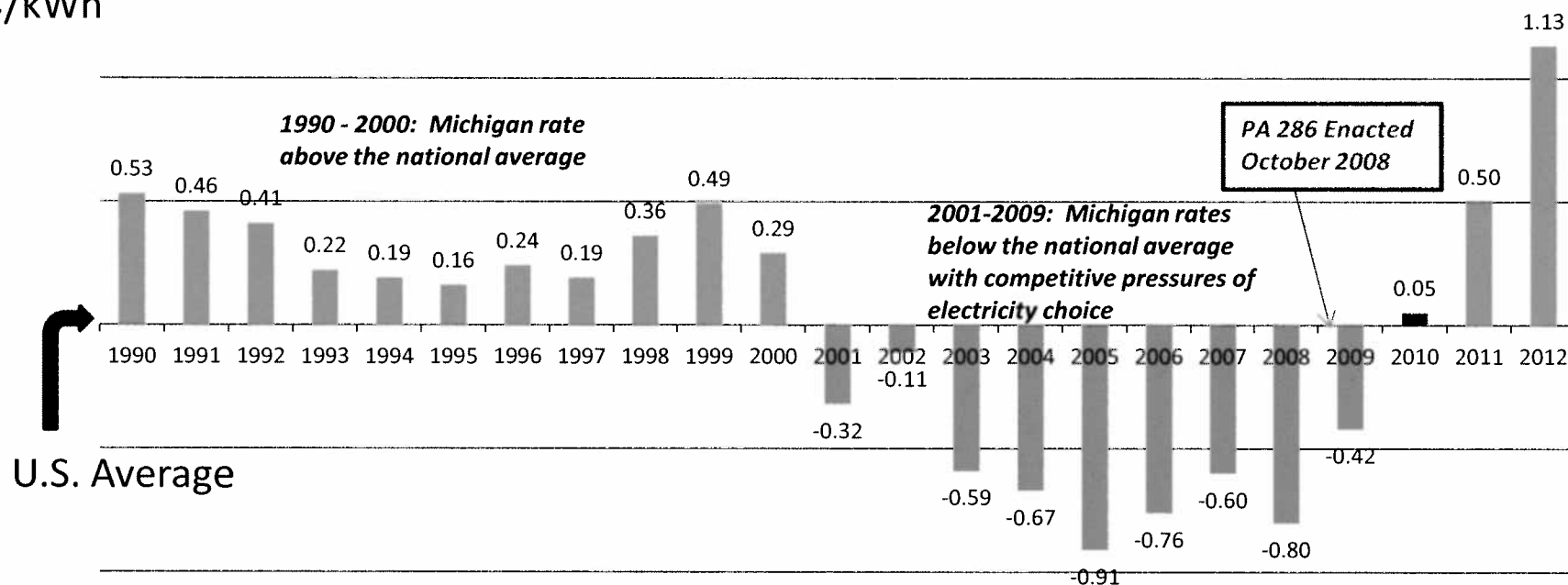
- How Do Michigan Electricity Rates Compare?

How Do Michigan Electricity Rates Compare? U.S.

Michigan vs US National Average

2010 - 2012: Michigan rates
again above the national average
with 10% cap limiting electricity choice

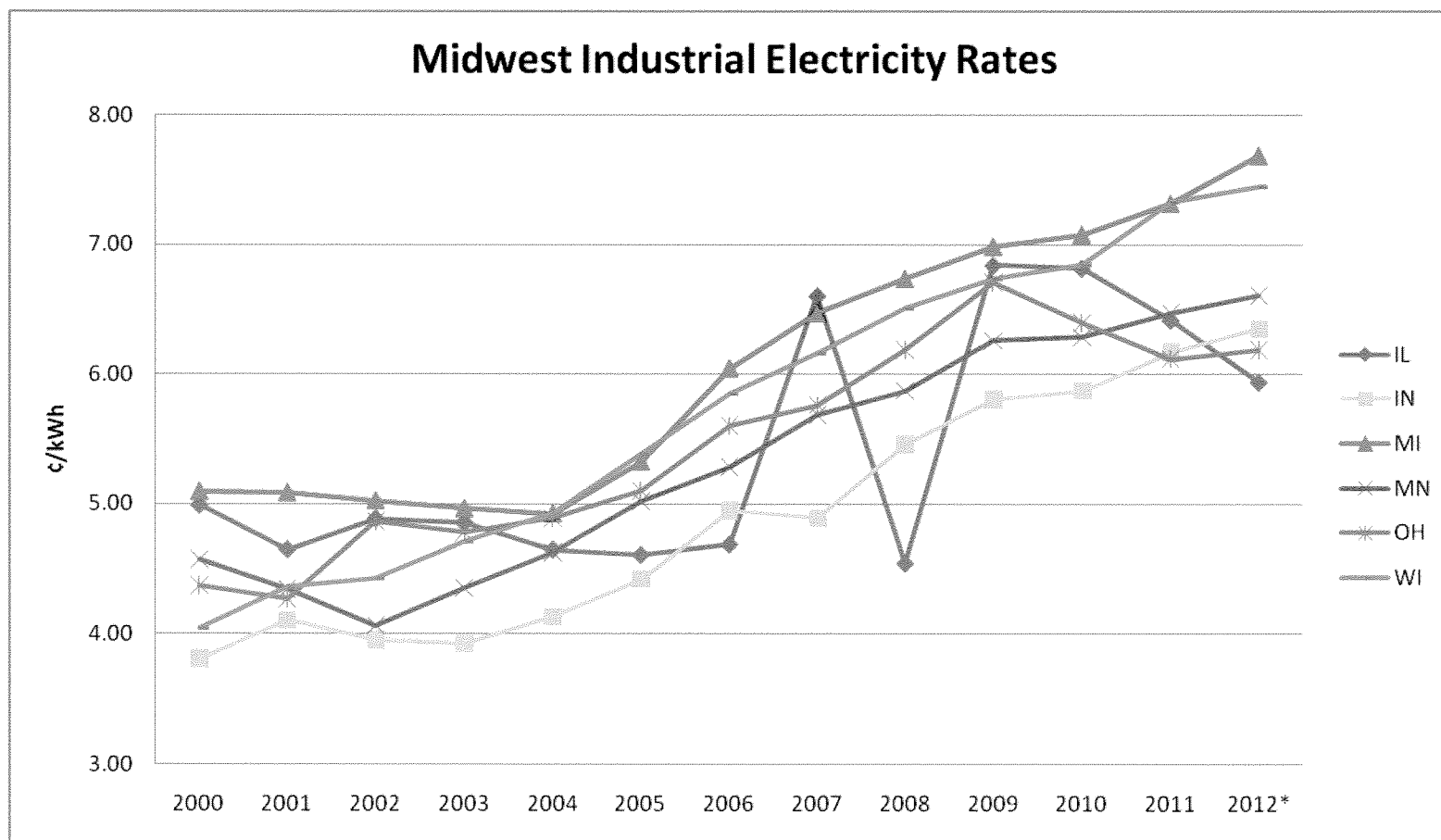
¢/kWh



Source: U.S. Energy Information Administration

How Do Michigan Electricity Rates Compare?

Industrial Customers



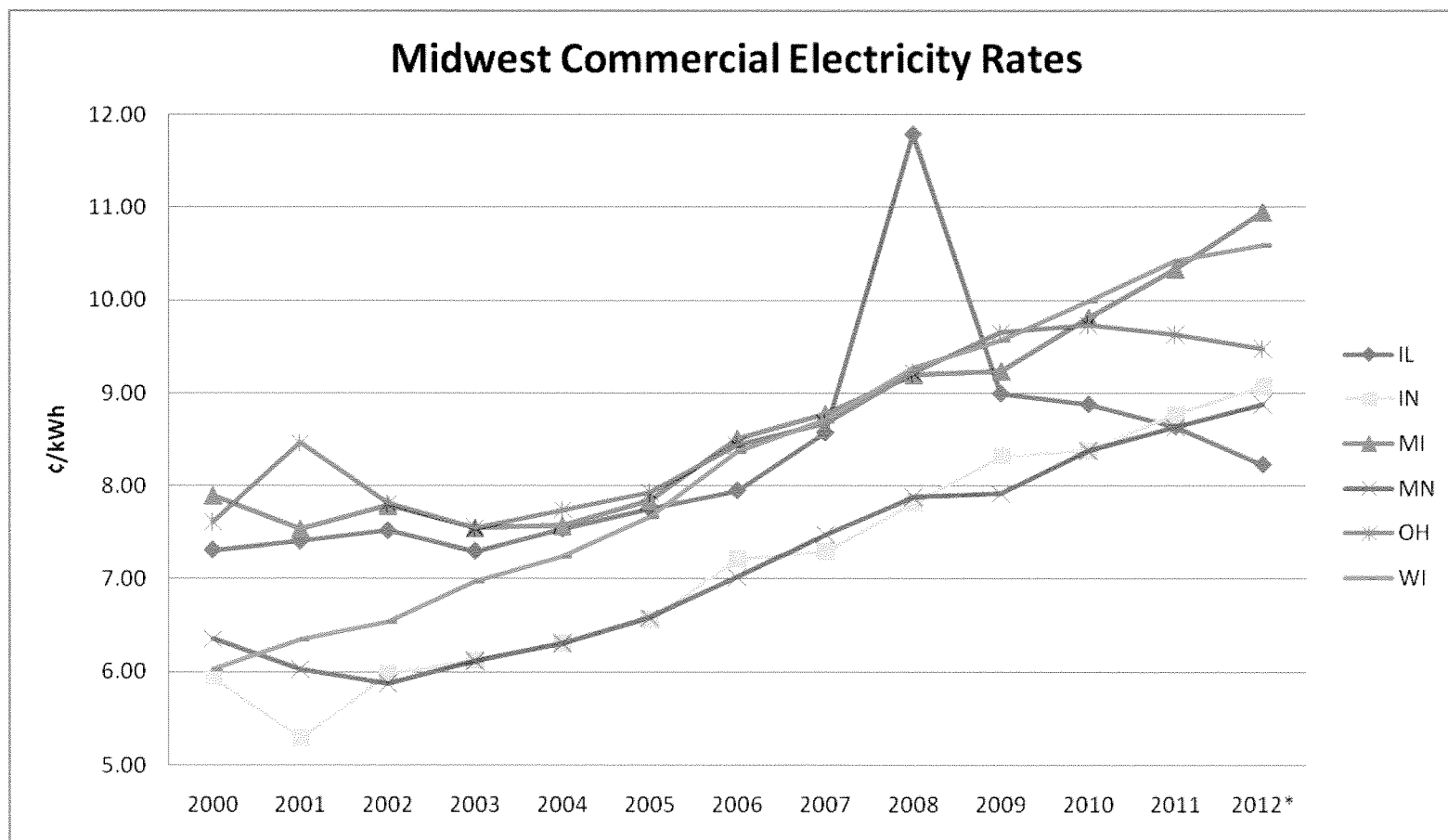
Source: U.S. Energy Information Administration

* Through November 2012



How Do Michigan Electricity Rates Compare?

Commercial Customers



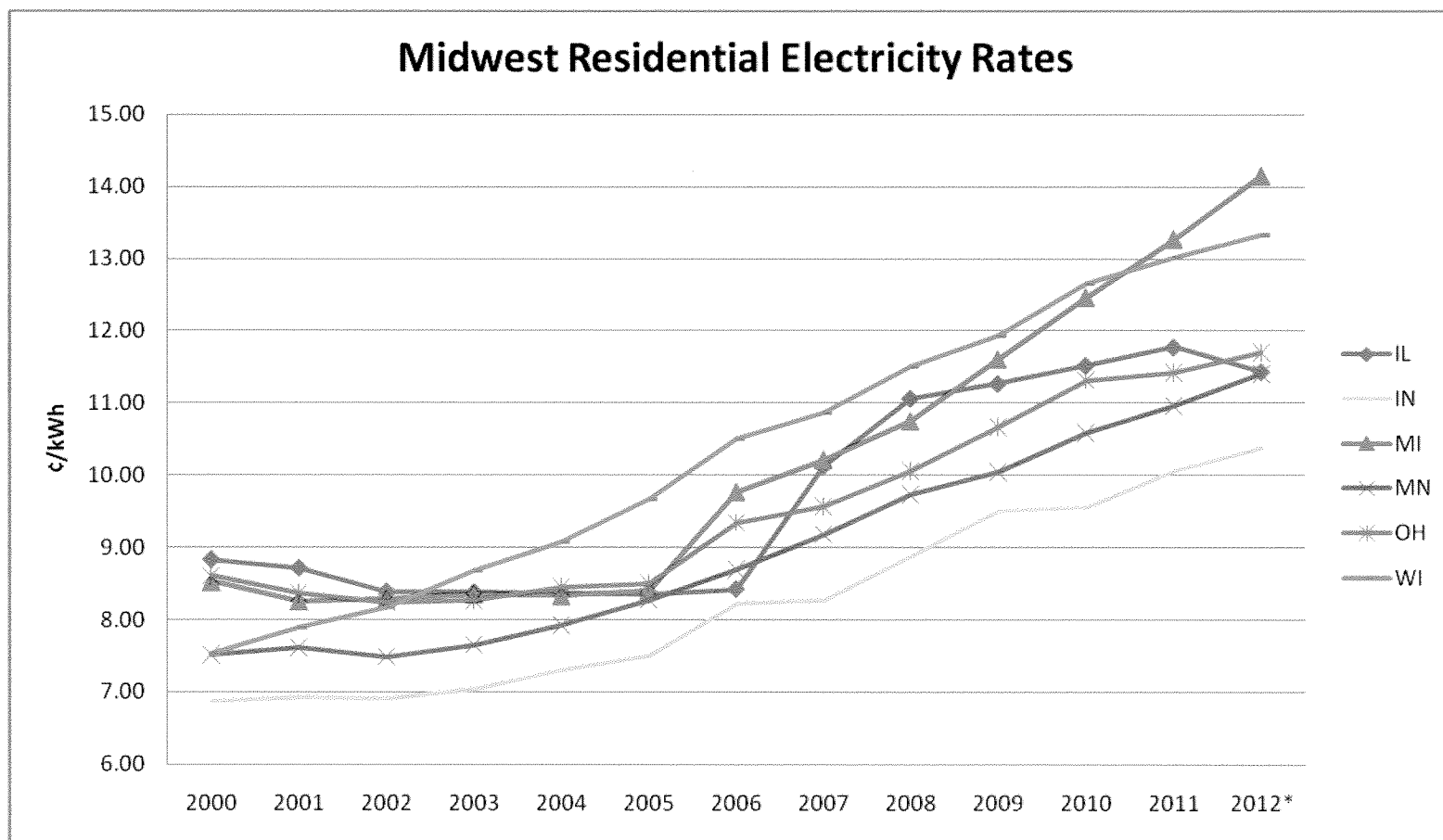
Source: U.S. Energy Information Administration

* Through November 2012



How Do Michigan Electricity Rates Compare?

Residential Customers



Source: U.S. Energy Information Administration

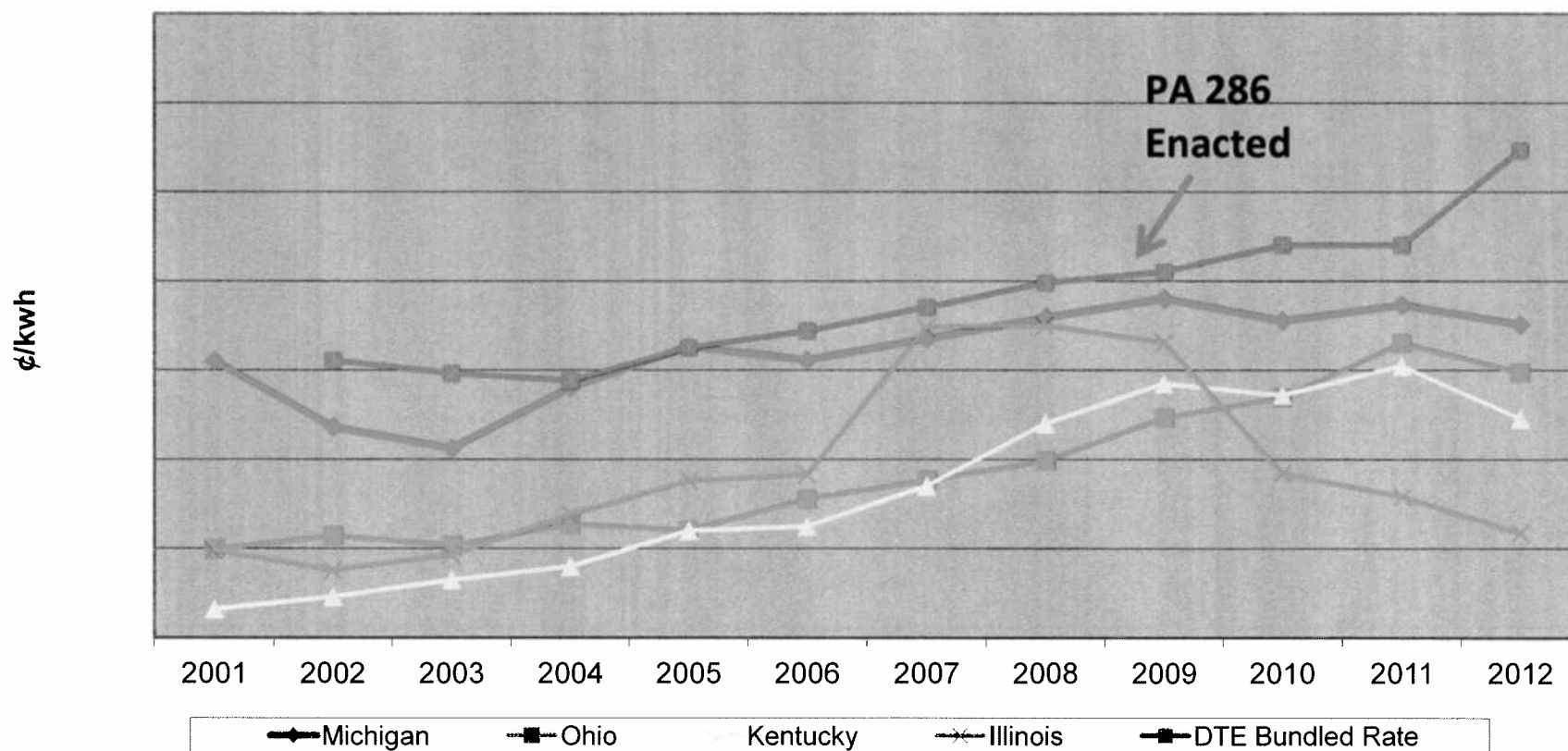
* Through November 2012



How Do Michigan Electricity Rates Compare?

Marathon Petroleum

Historical Midwest Refining Electricity ϕ /kwh
Actuals for 2001 - 2012



Source: MPC Energy Reports



How Do Michigan Electricity Rates Compare?

Midwest Refinery Supplier Corridor

- Solomon Associates Inc. is a company that specializes in benchmarking and consulting services for refineries. They conduct a refining comparative study every two years, in which a majority of refineries participate.
- MPC's Detroit refinery electricity rate is compared to other competitors located in the Refinery Supplier Corridor II (RSCII).
- RSCII states include Minnesota, Wisconsin, Michigan, Iowa, Missouri, Illinois, Indiana, Ohio, Kentucky and West Virginia.
- Historically, the Detroit refinery has been ranked in the Highest Electricity Cost Tier for the RSCII.



Michigan's Electricity Policy Solutions to High Costs

■ Increase Electricity Choice in order to get competitive electricity prices for Michigan customers.

- DTE Electricity Choice Queue = 4,649 customers and 4,641,464 MWh/yr
- Consumers Energy Choice Queue = 5,898 customers and 5,264,310 MWh/yr

■ Ensure the regulatory process emulates that of a competitive market. This should be a key performance metric in order to keep Michigan on the same competitive ground as other Midwest states.

- For example, Return On Investment = Midwest Average Utility ROI
- Cost of **ALL** available resources must be considered before a utility is granted a certificate of necessity to build a new generation plant.

■ RESULTS:

- Competitive Electricity Rates = Attractive Business Climate = Investment in Michigan

